Decline in Export of Diamonds

3228. DR. KRUPASINDHU BHOI : Will the Minister of COMMERCE be pleased to state :

(a) whether there has been a sharp decline in the export of diamonds;

(b) whether the diamond industry has been facing crisis;

(c) if so, the reasons therefor;

(d) the steps taken to identify the problem in this regard; and

(e) the possibility explored to increase the export of diamonds?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) to (c). There has been substantial growth in export of diamonds over the last three years. Recently, there has been a marginal decline in value realisation in Dollar terms in spite of higher exports in quantity during April-October 1996 compared to the corresponding period in 1995 due to low prices offered in the international markets. The export of diamonds in value and quantity terms is as follows :

	(Value in US$/Million)		(Quantity in Lakh Carats)	
Item	1993-94	1994-95	1995-96	
Diamonds	3574.50	3937.00	4577.54	
	139.90	158.07	192.24	
	Apr-Oct'96 (Provisional)		Apr-Oct'95	
	2547.10		2633.05	
	109.76		106.91	

Source : DGCI & S : Exports for 1993-94, 1994-95, 1995-96.

GJEPC : Exports for Apr-Oct.'96 and Caratwise Exports since 1993-94.

(d) and (e). Exporters of Gem and Jewellery had brought to the notice of the Govt. that the interest rates on post-shipment credit and routing of import documents through banks had added to their costs and consequently had affected their competitiveness in the world market. Keeping in view the present sluggist demand and low price in the world market, RBI has recently lowered the interest rates on post shipment credits and has allowed authorised dealers to receive import documents upto US$ 25,000 by value, or its equivalent direct from the overseas seller subject of fulfilment of certain requirements.

Production of Cotton yarn

3229. DR. ASIM BALA : Will the Minister of TEXTILES be pleased to state :

(a) whether the production of cotton yarn has been progressively increased; and

(b) if so, the production of cotton yarn during the last three years?

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA): (a) and (b). The figures of production of cotton yarn during the last three years are given below :

Year	Cotton Yarn (in million kgs.)
1993-94	1622
1994-95	1586
1995-96 (Provisional)	1738

MMTC Projects in UP

3230. SHRI BHAGWAN SHANKAR RAWAT : Will the Minister of COMMERCE be pleased to state :

(a) whether the Minerals and Metals Trading Corporation of India Ltd., (MMTC) has made any plan to launch some projects in Uttar Pradesh; and

(b) if so, the details thereof alongwith the estimated cost and the employment generation potentiality of those projects?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) No, Sir.

(b) Does not arise.

Coffee Board

3231. SHRI S.D.N.R. WADIYAR :
SHRI K.H. MUNIYAPPA :

Will the Minister of COMMERCE be pleased to state:

(a) whether the Coffee Board has introduced Voluntary Retirement Scheme in view of scraping of coffee pooling;

(b) if so, the total number of employees opted for the said scheme during the last three years;

(c) whether the Government propose to convert the Coffee Board into a research institution to take up research and conduct course for the development of coffee; and

(d) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) Voluntary Retirement Scheme was introduced in Coffee Board during 1994. Requirement of pooling has been completely done away with from September, 1996.

(b) A total number 1494 have opted under the existing scheme and 1322 employees have been relieved.

(c) No, Sir.

(d) Does not arise.

Export of Readymade Garments

3232. SHRI N.S.V. CHITTHAN :
SHRI MAHAMMAD ALI ASHRAF FATMI :
SHRI KASHIRAM RANA :
SHRI KRISHAN LAL SHARMA :

Will the Minister of TEXTILES be pleased to state:

(a) the total value of export of ready-made garments made during the current financial year and how does it compare with the last three year;

(b) whether the export of readymade garments has declined recently;

(c) if so, the reasons therefor; and

(d) the steps proposed to be taken by the Government to boost to the export of readymade garments?

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA): (a) The total value of export of readymade garments made during the current financial year upto October 1996 and that made during the corresponding periods of the last three years have been as follows :

Period (April-October)	Value In million US Dollars
1993-94	1813.68
1994-95	2264.28
1995-96	2243.51
1996-97	2553.73

(b) No, Sir.

(c) Does not arise.

(d) In order to boost the exports of garments, Governments have been taking a number of steps, which include encouraging exporters to participate in buyer-seller meets; fairs and exhibitions; enabling import of capital goods at concessional duty for export production; special arrangements for duty free import of raw material for export production; ensuring increased availability of export credit etc.

Foreign Exchange Regulation Act, 1973

3233. SHRI R. SAMBASIVA RAO : Will the Minister of FINANCE be pleased to state :

(a) whether the Government are contemplating to modify Foreign Exchange Regulation Act, 1973; and

(b) if so, the details thereof alongwith the reasons therefor?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) and (b). Major changes in FERA were carried out vide Foreign Exchange Regulation (Amendment) Act, 1993 (29 of 1993). A review of FERA was initiated in 1992 by setting up a Task Force. Further changes, if any may also be considered in due course.

Double Taxation on Dividend

3234. SHRI ANNASAHIB M.K. PATIL : Will the Minister of FINANCE be pleased to state :

(a) whether the Government are considering a proposal to scrap double taxation on dividend; and

(b) if so, the present status of the proposal?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) and (b). Various policy measures are considered by the Government as apart of the budgetary exercise every year and the new decisions are reflected in the budget documents.

Liberalisation of Restrictions in Indo-Bangladesh Trade

3235. DR. T. SUBBARAMI REDDY :
SHRI TARIQ ANWAR :

Will the Minister of COMMERCE be pleased to state:

(a) whether India and Bangladesh have agreed to liberalise trade restrictions;

(b) if so, the details thereof alongwith the main items and areas on which trade restrictions have been liberalised;

(c) whether this removal of restrictions have been proved helpful to both countries; and

(d) if so, the details thereof and to what extent it is likely to be helpful?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) to (d). Both India and Bangladesh are members of SAARC